S.No.	Service	Date of Imposition	Whether exempted
43.	Banking and other Financial Services	16.7.2001	No
44.	Port Services	16.7.2001	No
45.	Authorised Service Station for Servicing of motor car and two wheeled motor vehicle	16.7.2001	No

Expenditure of banks on VRS

1792. SHRI YADLAPATI VENKAT RAO: Will the Minister of FINANCE be pleased to state:

(a) whether some public sector banks have reported sharp decline in their net profit for the year 2000-2001, due to higher provision for making payments to persons who opted for Voluntary Retirement Scheme;

(b) if so, the total amount Government had to bear in above payments upto 31st March, 2001; and

(c) the amount expected to be paid during the current year for the above purpose?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) The Reserve Bank of India (RBI) has reported that out of 27 public sector banks, 13 banks have recorded reduction in their net profit in 2000-2001. RBI has further reported that the gross profit of public sector banks, as a group, was Rs. 13792.96 crore during the year 2000-2001, against Rs. 13066.36 crore during the year 1999-2000, representing an increase of Rs. 726.60 crore. RBI has further reported that the net profit of public sector banks as a group was Rs. 4316.97 crore during the year 2000-2001, against Rs. 5116.18 crore during 1999-2000, representing a decrease by Rs. 799.21 crore.

(b) RBI has reported that as per the provisional data made available to it by the banks and data compiled from their published balance sheets, the amount charged to the profit & loss account by the public sector banks towards VRS expenditure during the year 2000-2001 was Rs. 3062.60 crore.

(c) RBI has reported that the total cost of VRS to the public sector banks is Rs. 10262.94 crore, of which Rs. 7200.34 crore is to be carried over as deferred revenue expenditure to be charged over the next four years.